

**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION**

VARIANT HOLDINGS, LLC AND
VARIANT, INC.

Plaintiff,

v.

Z RESORTS LLC D/B/A HOTEL ZAZA; Z
RESORTS MANAGEMENT, L.L.C. D/B/A
HOTEL ZAZA; Z RESORTS, INC. D/B/A
HOTEL ZAZA; TRANSFORMATION 5701,
L.P. DBA HOTEL ZAZA HOUSTON;
GIVENS-RECORDS DEVELOPMENT, LTD
D/B/A HOTEL ZAZA DALLAS; ESA P
PORTFOLIO L.L.C. D/B/A EXTENDED
STAY HOTELS; HVM, LLC D/B/A
EXTENDED STAY HOTELS; EXTENDED
STAY AMERICA, INC. D/B/A EXTENDED
STAY HOTELS; NEXTAG, INC.; PRICE
WATCH CORP.; ROSEWOOD HOTEL
INVESTMENTS, INC.; ROSEWOOD
HOTELS AND RESORTS, L.L.C.; RRCC,
L.P. D/B/A ROSEWOOD CRESCENT
HOTEL; ROSEWOOD PROPERTY
COMPANY D/B/A ROSEWOOD MANSION
ON TURTLE CREEK; THE CARLYLE, LLC
D/B/A THE CARLYLE, A ROSEWOOD
HOTEL; STREETPRICES.COM, INC. D/B/A
STREETPRICES.COM CORP. D/B/A
STREETPRICES.COM; TANGLEWOOD
RESORT PROPERTIES, INC. D/B/A
TANGLEWOOD RESORT; TRAVELNET
SOLUTIONS, INC. AND YELP! INC.

Defendants.

Case No. 2:11-cv-290- JRG

JURY TRIAL DEMANDED

**DECLARATION OF BAHMAN KOOHESTANI OF NEXTAG, INC. IN SUPPORT OF
DEFENDANT NEXTAG, INC.'S MOTION TO SEVER AND TRANSFER**

I, Bahman Kohestani, declare:

1. I work for NexTag, Inc. ("NexTag") in the capacity of Executive Vice President of Product and Engineering. I have personal knowledge of the facts set forth in this Declaration.

If called upon to testify regarding these matters, I could and would competently do so.

2. NexTag maintains its principal place of business at 2955 Campus Drive, Suite 300, San Mateo, California.

3. The accused website, www.nextag.com, was originally planned and developed by NexTag employees at NexTag's prior offices, also located in San Mateo, California. Through June 2011, all planning, architecture and development of the accused website was performed in San Mateo. Since 2011, a very limited portion of the development of the accused website has occurred in Chicago and India, but all other development and all planning and architecture continue to be performed in San Mateo. As such, the vast majority of the NexTag employees involved in the planning, architecture and development of the accused website work and live in the San Mateo area.

4. If this case proceeds in the Marshall Division of the Eastern District of Texas, the travel time and costs for NexTag's witnesses traveling from San Mateo, California will be very burdensome. Numerous NexTag employee-witnesses will be forced to suffer substantial lost productivity and to incur major travel expenses.

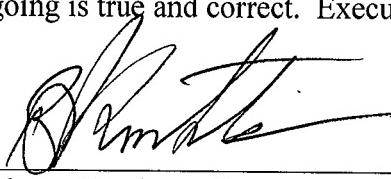
5. Several former employees who were involved in the development and implementation of the website reside in California. Three of these individuals are Rafael Ortiz (co-founder and former Chief Marketing Officer), Claire Hough (former Vice President of Engineering), and Scott Simmons (former company President). These witnesses are under no contractual obligation to cooperate with NexTag in this matter.

6. Source code and other documents relating to the accused website are maintained at the San Mateo facility. The financial information concerning the accused website is also stored in San Mateo.

7. NexTag has no facilities in the Eastern District of Texas. I am unaware of any witnesses or evidence located in this District.

I declare under penalty of perjury that the foregoing is true and correct. Executed this

14 day of June 2012.



Bahman Koohestani